

REVENUE: Revenue statement issued  
FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Tax Credits by prior reference
<b>Vote:</b>	6 - 0 - 0
<b>Yeas:</b>	Atkinson, Burdick, Edwards, Girod, Starr, Beyer
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Richard Berger, Administrator
<b>Meeting Dates:</b>	3/21, 3/24, 4/18, 4/21

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**WHAT THE MEASURE DOES:** Extends tax credits for certain research activities to January 1, 2018.

**ISSUES DISCUSSED:**

- Business Oregon brings these tax credits to the attention of companies
- Similarities with the federal tax credit
- Types of companies able to utilize the tax credit
- Ability of research and development funding to entice business growth

**EFFECT OF COMMITTEE AMENDMENT:** Defines date of tax credit extension to January 1, 2018.

**BACKGROUND:** The current tax credits expire on January 1, 2012. This tax credit relates to research activities. If qualified research expenses in Oregon exceed a base amount, then Oregon corporations may take a credit equal to five percent of the excess amount. Qualified research activities include research expenses, either in-house or by contract, and basic research payments to colleges, universities, and certain other nonprofit organizations. The credit is limited to \$2 million per taxpayer, having been increased from \$750,000 by the 2005 Legislative Assembly.